

CALIFORNIA HIGH-SPEED RAIL AUTHORITY
MEETING MINUTES
June 20, 2001
LOS ANGELES, CALIFORNIA

The meeting of the California High-Speed Rail Authority was called to order on June 20, 2001 at 10:10 a.m. at the Ronald Reagan Building at 300 South Spring Street, Los Angeles, California.

Members Present: Edward P. Graveline, Acting Chairman
 Ernest A. Bates
 Ben L. Hom
 Jerry Epstein
 John P. Fowler
 William E. Leonard

Members Absent: T.J. Stapleton
 Leland Wong

Approval of Minutes for April 25, 2001 Meeting

Acting Chairman Graveline presented the minutes for approval. Member Hom moved to approve the minutes. Member Bates seconded the motion, which carried 6-0.

Authority Members' Meetings for Compensation

Acting Chairman Graveline presented the list of meetings for compensation. Member Hom moved to approve the list. Member Fowler seconded the motion, which carried 6-0.

Members' Report

Members did not have anything to report.

Executive Director's Report

Executive Director Morshed reported on two bills authored by Senator Costa. The Senate Transportation Committee passed both bills:

- SB690 – Defines the technology the Authority should investigate. In response to opposition from SCAG, the bill was amended to clarify the bill only applied to the Authority. The amended bill passed the Senate 37-0, and will go before the Assembly next Monday.
- SB976 – Designates the Secretary of Business, Transportation & Housing and the Director of Caltrans as voting members of the board. The Assembly amended the bill to have these two members as one of the five gubernatorial appointments. Therefore, there will still be nine members serving on the board.

Executive Director Morshed reported on the Authority's budget. Executive Director Morshed stated the Authority's annual operating budget is approximately \$1 million. Before Governor Gray Davis published his May Revise, the state found out there was a statewide deficit of billions dollars. Therefore, \$2.5 billion from transportation is going to be transferred back into the general fund. No increases were granted. In the fiscal committees, the assembly approved the Governor's proposal. Subsequently, the Senate granted the Authority an additional \$1 million dollars. The Conference Committee adopted the item Monday, appropriating \$1 million to the Authority.

Executive Director Morshed reported the Authority received the signed MOU between the Federal Railroad Administration (FRA) and the California High Speed Rail Authority identifying FRA as the Authority's lead agency.

Executive Director Morshed reported the Request For Proposal (RFP) for Public Information Program, brought before the Board during the last meeting has been postponed due to the budget.

Executive Director Morshed recommended the next board meeting be August 1, 2001. Executive Director Morshed suggested some dates for future board meetings:

- September 5th or 12th
- No meeting in October
- November 14, 2001

Executive Director Morshed reported the Authority would be losing Deputy Director John Barna at the end of June 2001. This loss is due to civil service rules and regulations. Deputy Director Barna has been with the Authority since 1998. The Authority borrowed a position for John Barna and the position was taken back. Therefore, Deputy Director Barna has been serving the Authority on a consultant basis, which has the maximum duration of nine months. Executive Director Morshed stated Deputy Director Barna has proven to be a great asset to our effort; Mr. Barna is talented, energetic and very helpful and the Authority is losing a major part of our talent and energy. Acting Chairman Graveline expressed his appreciation for Deputy Director Barna's contributions. Member Epstein expressed his regret over Deputy Director Barna's departure. Member Epstein also admonished the Board to be more active to get help from the media, legislature, or some other source that will help us with our budget crisis. Member Leonard expressed his regret over Deputy Director Barna's departure.

Acting Chairman Graveline compared the Authority's situation with transportation issues in 1860. Acting Chairman Graveline stated it is important for us to focus on what we can do now. Acting Chairman Graveline suggested focusing on the Los Angeles to Bakersfield corridor. Member Epstein stated the Authority needs a leader in the Legislature. Member Bates asked Executive Director Morshed if the Authority is allowed to seek additional funding from private sector. Executive Director Morshed stated he believes it is permissible, but he will research this issue. Member Leonard stated the policy is well established and it is permissible for private sector to put funds into public projects; in fact, Member Leonard stated this occurs quite frequently. Executive Director Morshed stated the importance of finding out what the contributing parties want in return for their contributions to the public project. Acting Chairman Graveline asked Deputy Attorney General Christine Sproul if it is permissible for counties to pay in advance for studies in their own corridors. Deputy Attorney General Sproul stated she would research this issue and get back to the Board with her findings.

Acting Chairman Graveline skipped to Agenda item 6, Program Options for 2001/2002 Fiscal Year.

Program Options for 2001/2002 Fiscal Year

One of the members asked if the Federal Railroad Administration has the authority to advance funds on projects. Executive Director Morshed stated he did talk to them and they do not have any funds to disperse. Executive Director Morshed stated the only way to receive federal funding is through the federal appropriations budget.

Executive Director Morshed went on to put the budget into perspective. Executive Director Morshed stated when the Authority finished the business plan we

recommended to the legislature that the work was completed. Then the legislature felt they wanted to proceed with the project, therefore the next step was the Authority had to prepare an Environmental Document (EIR). We estimated and recommended to the Governor and legislature the program level EIR would take a minimum of two years and cost \$25 million. Last year the legislature approved this recommendation by doing two things; extending the life of the Authority beyond the time required to prepare the EIR and providing \$5 million for that current fiscal year to start the EIR. Executive Director Morshed reported the state budget is an incremental annual process. Executive Director Morshed went on to report the Authority then entered into six contracts: one program manager contract and five corridor contracts. Executive Director Morshed stated the question is: With the current funding we have, what can the Authority do?

Executive Director Morshed outlined some budget options. Executive Director Morshed stated the Authority is pursuing the possibility of acquiring Federal money. Executive Director Morshed reported he has been in communication and written a letter to Senator Feinstein and some of the Board Members have contacted Senator Feinstein's office. Executive Director Morshed stated the more federal and legislative support we have the more likely we will get federal funding. Executive Director Morshed stated he has spoken to FRA and they are willing to help the Authority. However, the FRA cannot do anything without a congressional act. Therefore, in order to obtain Federal appropriation we need the support of individual members of the Senate and Congress from California. Executive Director Morshed stated that currently we have a considerable number of people in the legislature that support the project. These individuals are Senator Costa, Assemblyman Florez, Chair of Senate Transportation Committee and they are actively pursuing efforts on behalf of the Authority. Executive Director Morshed reported staff is pursuing two other items:

- There is approximately \$500, 000 left over from proposition 116 for the LA-Bakersfield corridor. The Authority with the support of Caltrans will go before the California Transportation Commission to request these funds for the LA-Bakersfield corridor.
- Staff has been communicating with Warren Weber of Caltrans who shares a mutual interest the Los Angeles-Orange County-San Diego (LOSSAN) corridor. Caltrans is going to do some improvement work on the existing train system that will require environmental work. Since both entities are funded by the State, we may be able to concentrate our efforts and use one set of data to accomplish both tasks. Executive Director Morshed reported since we don't have any money to proceed in the LOSSAN corridor, we are meeting with Caltrans to find out if Caltrans can fund part of the effort in this corridor.

Executive Director Morshed suggested the Authority determine a criteria that the funds we do have be geared toward advancing the work in maybe one or two of the corridors verses doing incremental work and not really finishing anything. Executive Director Morshed stated if the Authority acquires some funds from Caltrans for the LOSSAN corridor and the \$500,000 from proposition 116 combined with the salary savings from John Barna's position, plus the savings of no outreach contract then we will be able to save \$200,000-\$300,000 dollars, and the Authority may selectively put this money into one or more of the corridors.

Executive Director Morshed stated he feels the Authority should be focused on three corridors:

- LOSSAN corridor – Executive Director Morshed projected the Authority could actually accomplish most of the work that needs to be accomplished for Caltrans to make their incremental improvements. At which time, the Authority may have enough information to make a decision about the route and type of equipment that would serve this corridor.

- LA-Bakersfield corridor – Executive Director Morshed reported the fundamental question in this corridor is the route and station location. Executive Director Morshed suggested the Authority pursue the goal of a route adoption with the money left over from last year's budget and the \$500,000 from proposition 116.
- San Francisco-Merced corridor – Executive Director Morshed reported this corridor has some money left over from the current budget and this money can be used to work toward further route adoption in some segment of the corridor.

Member Leonard suggested the Authority meet with Norman Mineta; Chair of Assembly Transportation Committee; Chair of Senate Transportation Committee. Executive Director Morshed stated he would try to arrange this.

Executive Director Morshed reported that most of the Authority's work between now and September is going to involve completing the screening and reporting it to the Board so that the Board may make a decision by September/October, 2001.

Program EIR/EIS Progress Report

Deputy Director John Barna gave an overview of the scoping meeting findings. Deputy Director Leavitt reported on the Bay Area-Merced and the Los Angeles-Orange County-San Diego regional findings/comments. Deputy Director Pourvahidi reported on the Sacramento-Bakersfield regional findings/comments. Deputy Director John Barna reported on the Bakersfield-Los Angeles and the Los Angeles-San Diego via Inland Empire regional findings/comments. A copy of this presentation is available upon request.

Public Comment

Arnold Ramming, City of Bakersfield

Mr. Ramming reported the Kern COG, County of Kern and the City of Bakersfield's system study is in its final phase. The five alternates that are now being studied have modifications from what was previously laid out. Mr. Ramming wanted the Authority to note that none of the five alternates have a freeway alignment along Union Avenue. That freeway has been moved east near Cottonwood Avenue. It is included in Alternate 3, Alternate 13 and Alternate 15.

Meeting was adjourned at 11:50 a.m.